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Press Release

FOR IMMEDIATE RELEASE

July 8, 2009

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General Motors Bankruptcy Approved Under Pressure from Attorney General McGraw and Others to Comply With State Law

Under pressure from Attorney General Darrell McGraw and the Attorneys General from 42 other states, the new General Motors Company agreed to abide by state law governing car dealership franchise agreements, among other relief.

General Motors also agreed to continue being responsible for lemon law and written warranty claims by consumers for vehicles sold prior to new General Motors taking control of all of the old company's assets. The new General Motors also will accept responsibility for compliance with environmental laws on facilities that will be part of the new company; will accept responsibility for state tax obligations; will comply with state privacy laws; and honor product liability claims relating to accidents after new General Motors' starting date, even for cars sold before the bankruptcy.

"I am pleased that the new General Motors has agreed to abide by state dealer franchise laws as well as accepting responsibility for claims under West Virginia's lemon law, even for vehicles sold prior to the bankruptcy," said Attorney General McGraw. "Retained new car dealers will have the same protections they have had under West Virginia's law even though new General Motors was at first refusing to recognize the laws."

Attorney General McGraw worked with Attorneys General from 42 other states and national bankruptcy counsel for the National Association of Attorneys General to reach the concessions with new General Motors.

"The surviving GM dealers can rest assured they will have the protections afforded by state law," said Ruth Lemmon, President of the West Virginia Automobile and Truck Dealers Association. "I am glad to see that Attorney General McGraw was looking out for the interests of dealers as well as consumers," she said.

The Bankruptcy Court for the United States Southern District of New York approved the sale of most of General Motors assets to new General Motors on July 5, 2009. Remaining assets such as Saturn and Hummer, will be sold through the old General Motors through the bankruptcy court.

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